EU-Japan Centre
for Industrial Cooperation
一般財団法人
日欧産業協力センター

Japanese policy and regulatory developments

February 2026

Prepared by
Nishimura & Asahi Europe Rechtsanwaltsgesellschaft mbH

NISHIMURA
& ASAHI

Noriya Ishikawa
Yuki Sakurada
Yumiko Kato
Kei Hattori
Renato Yamazaki

For further inquiries: https://www.eu-japan.eu/be-informed

Table of Contents

Digital-Related Matters

The Third Study Group on the Civil Liability Framework for the Utilization of AI[1]

(Ministry of Economy, Trade and Industry, December 3)

- On December 3, 2025, the Ministry of Economy, Trade and Industry (METI) held the Third Study Group on the Civil Liability Framework for the Utilization of Al. The meeting followed the first and second sessions held on August 19 and October 1 of the same year, which were reported in the October and December issues of this monthly report.[2]
- At this session, in addition to reviewing the discussions in the second session, Use Cases 5 and 6 were discussed.
- Use Case 5: Company A provides an AI-based tenant screening system that automatically categorizes applicants into three categories: "pass", "human review required", or "fail". Real estate Company B, which adopted Company A's AI screening system, rejected Applicant V, upon human review of V's credit information after the categorization by such AI screening system of "human review required". However, afterwards, upon learning that a colleague with similar attributes to Applicant V had received a "pass" classification from the AI and was able to secure a similar rental unit, V claimed that such Al screening system has an unfair bias regarding sensitive attributes, such as gender.
  - Key issues discussed:
    (1) What measures should be implemented by Company A, the provider of the AI screening system, to ensure that biases in the data or algorithm do not result in discriminatory refusals of service?
    (2) As the primary decision-maker, what duty of care do AI screening system users (Company B) bear to prevent discriminatory refusals of service?
    (3) How can it be proved that the statistical bias in AI causes discriminatory refusals of service?
    (4) Considering the difficulty of verifying an AI bias from outside the system, how can the existence of such bias be proved?
- Use Case 6: Company C, which manufactures a trolley-shaped Autonomous Mobile Robot (AMR), provided its AMR to logistics Company D. The AMR has been operated without issue for several years. However, one day, an accident occurred while the AMR was transporting a large load of packages. The details of the accidents are as follows:
  [a] The AMR collided with Employee V, causing injury to V.
  [b] Due to an erroneous diagnosis by the AI installed in the AMR, the unit caught fire.
  [c] A critical bug was introduced during a software update, causing an accident.

---

1 https://www.meti.go.jp/shingikai/mono_info_service/ai_utilization_civil/003.html (in Japanese)

2 https://www.eu-japan.eu/publications/monthly-japanese-policy-and-regulatory-developments-news-october-2025, https://www.eu-japan.eu/publications/monthly-japanese-policy-and-regulatory-developments-news-december-2025

- Key issues discussed:
  (1) How can it be determined whether the accident caused by the AMR constitutes a defect under the Product Liability Act?
  (2) In case [a], what are the defects (defects in manufacturing, design, or warning phases) and potential negligence, causing the respective liabilities borne by Company C, Company D, and Employee V?
  (3) How can situations where the AI installed in AMR exhibits unexpected behavior during long-term operation be addressed?
  (4) In case [b], how can the existence or absence of a defect be confirmed when the AI installed in the AMR for troubleshooting purposes may itself constitute a defect in the product?
  (5) How can the responsibilities of the manufacturer and users be evaluated when an accident results from a critical bug introduced during a software update?
  (6) How can liability of Company C and Company D be substantiated?

Takeaway: The session introduced a new perspective: the allocation of responsibility across the entire value chain. Collectively, the discussions underscored the need to reconsider the duties of care and the scope of liability for both developers and users. Future sessions of the study group are expected to examine in greater depth the relationship between the "AI Guidelines for Business" and civil liability from the perspective of responsibility allocation.

Evaluation on Transparency and Fairness of Specified Digital Platforms Compiled[3]

(Ministry of Economy, Trade and Industry, December 17)

- On December 17, 2025, the Ministry of Economy, Trade and Industry (METI) created the Evaluation on the Transparency and Fairness of Specified Digital Platforms, based on Article 9, Paragraph 2 of the Act on Improving Transparency and Fairness of Digital Platforms (the "Transparency Act"). Under the Transparency Act, digital platform providers are required to make voluntary efforts to improve the transparency and fairness of their platforms based on the evaluation results.
- The Transparency Act adopts a "co-regulation" approach which seeks to balance innovation with regulatory discipline. Referred to as the "monitoring review" process, the Japanese government conducts evaluations to encourage digital platform providers to make voluntary improvements to their platforms.
- The evaluation covers four sectors: general online retail marketplaces, app stores, digital advertising (media-integrated advertising), and digital advertising (intermediated advertising). The current evaluation constitutes the fourth review of

[3] https://www.meti.go.jp/press/2025/12/20251217001/20251217001.html (in Japanese)

general online retail marketplaces and app stores, and the third review of digital advertising (both media-integrated advertising and intermediated advertising). The evaluations were conducted based on reports submitted by the designated platform operators, information received through the consultation desk for digital platform transactions, and expert opinions, along with public consultations. The results also indicate the types of efforts expected to be made by the designated platform operators.

- In the evaluation, several types of issues were identified for each of the four sectors. For example, in general online retail marketplaces, the evaluation pointed out several matters, such as the need to provide more detailed descriptions of the measures undertaken pursuant to the reports, the expansion of the definition of "complaints" to ensure appropriate complaint handling, and the verification of whether operations regarding search priority order are being conducted as designed, followed by detailed reporting of the results.

Takeaway: The evaluation identified several areas in which improvements can be made, particularly in regard to the handling of complaints and inquiries across multiple sectors. These must be taken into consideration going forward. As the evaluation will continue to be updated, it is essential not only for digital platform operators but also for businesses utilizing the digital platforms to closely monitor these developments.

Japan: Approval and Publication of AI Basic Plan Pursuant to the AI Act of Japan[4]

(Cabinet Office, December 23)

- On December 23, 2025, the AI Basic Plan was approved by the Cabinet Decision and was published pursuant to the Act on Promotion of Research and Development, and Utilization of AI-related Technology (the "AI Act of Japan"). The AI Basic Plan outlines (i) the three principles, (ii) the four basic policies with measures implemented by the government, and (iii) the items required for such measures.
- (i) Three principles

  In line with the fundamental principles of the AI Act of Japan, the AI Basic Plan is guided by the following three principles:

  (a) Balancing promoting innovation and risk management in order to realize a human-centered AI society where people and AI can work together;

  (b) Agile response to implement the PDCA (Plan–Do–Check–Act) cycle, adapt to changes, and flexibly and swiftly deal with societal and technological changes; and

  (c) Integrating domestic and international policies to proactively engage in global collaboration to position Japan as a global hub for diverse AI innovation.
- (ii) Basic policies and measures implemented by the government

[4] https://www8.cao.go.jp/cstp/ai/ai_plan/aiplan_20251223.pdf (in Japanese)

The AI Basic Plan sets forth the following four key categories of government measures.

(a) Accelerating AI utilization across society, including leveraging advanced AI technology, fostering a broad willingness among citizens to use AI, promoting the implementation of AI in public administration, facilitating cross-organizational and public–private accumulation, sharing, and effective use of data, and advancing the deployment of physical AI to enhance AI performance and innovation.

(b) Strategically strengthening AI development capabilities by enhancing Japan's autonomy in AI research, development, and operation, fostering trustworthy AI as a national strength, securing talent (e.g., AI researchers and developers) and high-quality data, promoting development across the AI ecosystem, and accelerating investment in AI infrastructure.

(c) Leading domestic and international AI governance by establishing a PDCA-based governance framework across the AI lifecycle, addressing emerging risks and malicious uses of AI, strengthening AI safety and evaluation capabilities, and issuing guidance[5] approved by Cabinet Decision and published on December 19, 2025, that sets forth the main elements and basic policy for stakeholders to ensure the appropriate research, development, and utilization of AI, while actively leading international cooperation and standard-setting initiatives, such as the Hiroshima AI Process.

(d) Continuously transitioning industries, employment structures, institutions, and social systems toward an AI-driven society, including reforming regulatory frameworks and developing AI professionals capable of effectively using and creating AI to enable human–AI collaboration.

- (iii) Items Required for such Measures

  The Japanese government will foster cooperation among the relevant ministries and agencies, monitor progress through the AI Strategy Headquarters using appropriate benchmarks, solicit expert opinions, and review and revise the AI Basic Plan annually to reflect rapid technological developments, changing social conditions, and the latest trends through industry/academia/government collaboration.

Takeaway: The Japanese government acknowledges that AI utilization in Japan has lagged behind that of the rest of the world, leading to insufficient accumulation of high-quality data and slow domestic AI development, and therefore seeks to accelerate AI development by promoting broader AI utilization and leveraging the resulting data generated by broader AI utilization. The Japanese government also seeks to lead international AI governance through initiatives such as the Hiroshima AI Process, international standardization efforts, and cooperation with ASEAN and the Global South, which should be closely monitored because of a role made particularly notable by Japan's unique geopolitical and economic position.

---

5 https://www8.cao.go.jp/cstp/ai/ai_guideline/ai_gl_2025.pdf (in Japanese)

Publication and Public Consultation on the Draft Guidelines on Technical Measures for Ensuring AI Security[6]

(Ministry of Internal Affairs and Communications, December 25)

- On December 25, 2025, the Ministry of Internal Affairs and Communications (MIC) published the Draft Guidelines on Technical Measures for Ensuring AI Security and announced public consultation on the draft guidelines
- The draft guidelines were formulated based on a compilation of findings concerning technical measures to ensure AI security in response to threats to AI, which were discussed at meetings of the AI Security Subcommittee held from September 2025 within the MIC. Along with the publication of these guidelines, the MIC conducted a public consultation on the draft guidelines during the period from December 26, 2025, to January 29, 2026.
- Taking into account the "Guide to Evaluation Perspectives on AI Safety (AISI)",[7] the draft guidelines address the issue of ensuring AI security. The primary target is countermeasures against threats that could lead to leakage of confidential information through unauthorized manipulation, alteration, or disruption of AI systems. From this perspective, the draft guidelines provide examples of technical measures to address such threats.
- The scope of the draft guidelines primarily covers Large Language Models (LLMs) and AI systems that incorporate LLMs as components. With respect to multimodal LLMs (Vision Language Models, VLMs), given that attack techniques targeting image recognition AI (CNN) may be applicable, threats and countermeasures related to CNN are also organized. In contrast, AI agents are excluded from the scope of the draft guidelines, as the technology is still in a state of ongoing development and it is currently difficult to reliably identify threats and countermeasures specific to such systems.
- The intended readers of the draft guidelines are AI Developers and AI Providers as defined in the AI Guidelines for Business.[8] Measures implemented by AI Developers may also function as countermeasures against attacks in which AI Providers are the victims.

Takeaway: Based on the feedback received through the public consultation, the MIC plans to finalize and establish the guidelines by the end of March 2026. The development process of these guidelines warrants continued attention, and relevant stakeholders should review the final version carefully.

---

6 https://www.soumu.go.jp/menu_news/s-news/02cyber01_04000001_00337.html (in Japanese)

7 https://aisi-go-jp.translate.goog/output/output_framework/guide_to_evaluation_perspective_on_ai_safety/?_x_tr_sl=auto&_x_tr_tl=en&_x_tr_hl=ja

8 https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/20240419_report.html (in Japanese)

Draft Principle-Code for protection of intellectual property and transparency for the appropriate use of generative AI (provisional title)[9]

(Cabinet Office, December 26)

- On December 26, 2025, the Cabinet Office published the Draft Principle-Code for protection of intellectual property and transparency for the appropriate use of generative AI and announced public consultation during the period from December 26, 2025, to January 26, 2026.
- The draft principle-code establishes the principles for measures to ensure transparency and protect intellectual property rights that generative AI businesses should take, thereby ensuring a safe and secure usage environment for rights holders and users in order to balance the advancement of generative AI technology with the appropriate protection of intellectual property rights. The draft is based on the legislative intent of Japan's Act on Promotion of Research and Development, and Utilization of AI-related Technology, with reference to the initiatives under the EU AI Act and in the field of corporate governance, such as the Stewardship Code.
- The draft principle-code applies to "Generative AI Developers", meaning those who are responsible for building generative AI systems and who provide all or part of generative AI systems or services to the public, and "Generative AI Providers", meaning those who are responsible for building generative AI systems and who provide services incorporating generative AI systems into applications, systems, products, business processes, and the like (collectively, "Generative AI Businesses"). Furthermore, even Generative AI Businesses that do not have their head office in Japan will fall within the scope of the draft principle-code if their generative AI systems or services are made available in Japan.
- The draft principle-code adopts a "comply or explain" approach, under which businesses are required either to implement the principles, or if they do not, to explain the reasons for non-implementation.
- The draft principle-code sets forth the following three principles:
  - Generative AI Businesses must disclose on their corporate websites or equivalent platforms the measures they take to ensure transparency and protect intellectual property rights, and must make such information accessible to all individuals, including users and rights holders.
  - When a person engaged in legal proceedings requests disclosure of the specified information listed in the draft principle-code, Generative AI Businesses must respond to the request, provided that all prescribed requirements for such disclosure are satisfied.
  - When a person who has generated content using generative AI systems or services provided by the Generative AI Businesses requests disclosure of the specified information listed in the draft principle-code, Generative AI Businesses must

[9] https://www.kantei.go.jp/jp/singi/titeki2/ikenboshu_20251226.html (in Japanese)

respond to the request, provided that all prescribed requirements for such disclosure are satisfied.

Takeaway: There has been criticism from experts and industry stakeholders, and therefore, certain changes may be made to the final version of the draft principle-code. It will be important to follow the ongoing development process of the draft principle-code, and relevant stakeholders should review future updates and revisions carefully.

Industry

Publication of and Public Consultation on the Draft Policy for Establishing a Security Measure Evaluation System to Strengthen Supply Chains[10]

(Ministry of Economy, Trade and Industry, and National Cybersecurity Office, December 26)

- On December 26, 2025, the Ministry of Economy, Trade and Industry (METI) and the National Cybersecurity Office (NCO) published the Draft Policy for Establishing a Security Measure Evaluation System to Strengthen Supply Chains and announced a public consultation on the draft policy. The public consultation was conducted during the period from December 26, 2025, to January 24, 2026.
- This evaluation system does not impose any legal obligations on businesses to maintain a certain security level, such as those under EU's Cyber Resilience Act and NIS2 Directive. Instead, it seeks to improve security standards across supply chains by assessing businesses that have implemented specific measures and registering accordingly.
- For both ordering companies and suppliers, the framework provides practical guidance for selecting appropriate security measures and explaining their implementation. This approach helps mitigate supply chain risks and strengthen cyber resilience across the economy.
- The measures are intended to be implemented by supply chain companies (contracted parties in bilateral agreements). Ordering companies will specify the required security level in contracts, encourage implementation, and verify compliance.
- The evaluation levels are planned to have three stages: Levels 3 to 5, with the following measures and evaluation methods:
  - Level 3: Basic organizational and system defense measures that all supply chain companies should implement. Self-assessment with expert verification.
  - Level 4: Comprehensive measures including governance, supplier management, system defense/detection, and incident response that supply chain companies should typically have. Third-party evaluation.
  - Level 5: Advanced measures to be detailed later based on reviews of Levels 3 and 4 that supply chain companies should pursue as the benchmark level of achievement, defined by risk-based improvement processes in line with international standards and best-practice security measures for systems. Third-party evaluation.

  Draft requirements and evaluation criteria for Levels 3 and 4 have also been published and are subject to public consultation.

---

10 https://public-comment.e-gov.go.jp/pcm/detail?CLASSNAME=PCMMSTDETAIL&id=595225044&Mode=0 (in Japanese)

- The framework seeks to complement domestic frameworks and international standards such as ISMS conformity assessment, and to explore opportunities for mutual recognition with the UK's Cyber Essentials.

Takeaway: Based on feedback received through the public consultation, METI and NCO plan to finalize the policy by the end of March 2026 and commence operation of the system by the end of March 2027. Stakeholders should review the finalized version carefully after the consultation period has concluded.

Economic Security

New Five-Year Cybersecurity Strategy[11][12]

(National Cybersecurity Office, December 23)

- On December 23, 2025, the Japanese Cabinet officially approved a new "Cybersecurity Strategy," setting a comprehensive medium- to long-term roadmap for national cybersecurity for the next five years. Designed to ensure a "free, fair, and secure cyberspace," the strategy signals a shift toward the government taking a more proactive role in response to intensifying state-sponsored threats and rapid technological advancements in AI and quantum computing. By integrating these efforts with the National Security Strategy, the Japanese government aims to unify its approach to defending against an increasingly severe international security environment.
- The strategy is anchored by three core pillars: (i) Defense and Deterrence, which introduces "Active Cyber Defense" measures to impose costs on attackers and enhance government-private information sharing; (ii) Enhancing Society-wide Cybersecurity and Resilience by a Wide Range of Actors, urging various stakeholders to implement effective security measures in parallel with digital transformation; and (iii) Ecosystem Formation, focusing on cultivating cyber talent and fostering domestic technologies. To ensure effectiveness, the Japanese government will formulate annual plans to verify progress and adapt policies to evolving threats.

11 https://www.cyber.go.jp/pdf/policy/kihon-s/cs_strategy2025_abstract.pdf (in Japanese)
12 https://www.cyber.go.jp/pdf/policy/kihon-s/cs_strategy2025.pdf (in Japanese)

Human Rights/Environment/Climate

Call for Applications for GX Strategic Areas[13]

(Ministry of Economy, Trade and Industry; December 23)

- On December 23, METI launched a call for applications for the "GX Strategic Area Program."
- The program was created to help implementing the GX2040 Vision, the Japanese government's strategy for promoting the transition to a decarbonized, growth-oriented economic structure.
- It is designed for the government to select and support advanced initiatives taken by local governments and businesses.
- The program aims to promote GX-oriented industrial agglomeration and watt–bit collaboration by leveraging regional assets such as former industrial complex sites and regionally concentrated decarbonized power sources.
- Applications are invited for the following three categories for regional selection:
  (1) regeneration of industrial complexes;
  (2) data center concentration; and
  (3) utilization of decarbonized power sources (GX industrial parks).
- The application period is from December 23, 2025 to February 13, 2026.
- Detailed materials are available on the following policy webpage:
  https://www.meti.go.jp/policy/energy_environment/global_warming/gx_strategy_area.html

Takeaway: The Japanese government encourages initiatives by municipal governments and businesses to realize a GX-oriented industrial structure. The newly established industrial clusters will bring GX-oriented business opportunities.

Revision of Sector-Specific Investment Strategy for Promoting GX[14]

(Ministry of Economy, Trade and Industry; December 26)

- On December 26, the Ministry of Economy, Trade and Industry (METI) revised the Sector-Specific Investment Strategy to further specify investment promotion measures toward realizing green transformation (GX).
- The revision reflects the ongoing efforts to mobilize approximately 150 trillion yen in public–private investment over the next decade under Japan's growth-oriented carbon pricing framework.
- The updated strategy sets out GX priorities and investment promotion measures for 16

13 https://www.meti.go.jp/press/2025/12/20251223003/20251223003.html (in Japanese)
14 https://www.meti.go.jp/press/2025/12/20251226003/20251226003.html (in Japanese)

key sectors, including steel, chemicals, paper and pulp, cement, automobiles, storage batteries, aircraft, SAF, vessels, daily life (e.g., utilities, infrastructure, transportation, educational facilities, etc.), resource recycling, AI and semiconductors, hydrogen, next-generation renewable energy (perovskite solar cells, floating offshore wind power, and next generation geo thermal), nuclear and fusion energy, and CCS.

- The full strategy is available here: https://www.meti.go.jp/press/2025/12/20251226003/20251226003-1.pdf

Takeaway: Japan revised its Sector-Specific Investment Strategy to accelerate GX-related investments across 16 priority sectors and promote the transition to a GX-oriented industrial structure. Collaboration between the public and private sectors would be highly encouraged.

Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Innovation Council and SMEs Executive Agency (EISMEA). Neither the European Union nor the granting authority can be held responsible for them.

Published by the EU-Japan Centre for Industrial Cooperation.